GENIUS PROPERTIES LTD.

(formerly Synergy Acquisition Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Period ended

September 30, 2016

(Third Quarter)

This management's discussion and analysis ("MD&A") follows rule 51-102A of the Canadian Securities administrators regarding continuous disclosure for reporting issuers. It is a complement and supplement to the Corporation's unaudited consolidated interim financial statements and related notes for the period ended September 30, 2016 and should be read in conjunction with both the financial statements for the year ended December 31, 2015 and the annual MD&A for the year ended December 31, 2015. This MD&A represents the view of management on current activities and past and current financial results of the Corporation, as well as an outlook of the activities of the coming months. The Corporation prepared its financial statements in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

DATE

This MD&A of Genius Properties Ltd.(formerly Synergy Acquisition Corp.)(the "Corporation") of the financial condition and results of the operation of the Corporation constitutes management's review, as at November 29, 2016, of the factors that affected the Corporation's financial and operating performance for the period ended September 30, 2016. Without contrary indication, all the amounts are in Canadian dollars. Additional information relating to the Corporation is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements that are based on the Corporation's expectations, estimates and projections regarding its business, the mining industry in general and the economic environment in which it operates as of the date of the MD&A. These statements are reasonable but involve a number of risks and uncertainties, and there can be no assurance that they will prove to be accurate. Therefore, actual outcome and results may differ materially from those expressed in or implied by these forward-looking statements. The preliminary economic assessments contained in the Technical Reports referred to in this MD&A, and the estimates contained therein to date are preliminary in nature and are based on a number of assumptions, any one of which, if incorrect, could materially change the projected outcome. Factors that could affect the outcome include, among others: the actual results of current exploration, competition, competition, general business, economic, political and social uncertainties, environmental issues, additional financial requirements and the Corporation's ability to meet such requirements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ from those anticipated.

NATURE OF ACTIVITIES

On January 31, 2014, the Corporation announced that it had completed its previously announced name change from "Synergy Acquisition Corp" to "Genius Properties Ltd.". The common shares of the Corporation commenced trading on the Canadian Securities Exchange under the new corporate name and under the new symbol, "GNI", within the next two or three trading days. The Corporation has also continued into Quebec under the Canada Business Corporations Act from Alberta. The name change and the continuation were approved by shareholders of the Corporation at the special meeting of shareholders held on January 6, 2014.

The Corporation is at the exploration and evaluation stage and its operations include the acquisition, exploration, evaluation, development of production facilities and ultimately, the sale of exploration and evaluation assets.

The recovery of the exploration and evaluation assets is dependent upon: the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in the properties, the ability to obtain the necessary financing to complete exploration, evaluation, development and construction of processing facilities, obtaining certain government approvals and proceeds from disposal of assets.

Genius is primarily targeting Quebec's excellent mineral potential to discover new world-class deposits and is the ideal partner for exploration companies and capital pool companies looking for qualified transaction projects of merit. The Company intends to enter various types of agreements on its available mineral properties.

DISCONTINUED OPERATIONS

On November 11, 2015, the Corporation anounced that it would discontinued the distribution of consumable products under its subsidiary Zencig and the development of a geo-localisation sofware under its subsidiary Zippler to concentrate its effort on the acquisition and exploration of mineral properties

Despite the current boom in e-cigarettes, several factors had a negative effect on the distribution of Zencig products. First of all, the market soon shifted from an emphasis on disposable cigarettes to an emphasis on rechargeable cigarettes. The shift actually happened in less time than it took to address the very first orders. Moreover, the negative recommendations issued by the World Health Organization (WHO) advising against the use of e-cigarettes in public spaces, not to mention a number of admittedly isolated incidents that were the subject of lawsuits and which had an impact on insurance premium increases, are among the numerous other obstacles that arose to hinder the distribution of these products. In other words, a combination of unfavourable factors has made it more commercially viable for the Corporation to take a step back from diversification.

Reiva

On May 26, 2015, the Corporation acquired from an arm's-length third party all the assets of Reiva, composed primarily of a portfolio of proprietary brands and exclusive recipes of natural and functional beverages and related products.

All assets were purchased by the issuance of 30,000,000 common shares of the Corporation at a deemed value of $0.11 per share for a total value of $3,300,000. The common shares issued were subject to a thirty-six (36) month escrow, in accordance with CSE policies and applicable securities regulation.

On October 27, 2015, the parties agreed to cancel the agreement signed on May 26, 2015 and return to Treasury the 30,000,000 common shares issued previously. These common shares were returned to Treasury in February 2016 and are presented as shares to be cancelled as at December 31, 2015. Share capital was reduced by $900,000 representing the fair value of the 30,000,000 common shares at the date of the cancellation and the Corporation recorded a loss on cancellation on acquisition of assets in the consolidated statements of comprehensive loss of $2,400,000.

OVERVIEW OF BUSINESS

Building

The decision to steer away from these activities will prompt the immediate need to sell off the commercial building.

Vehicule

In August 2015, the Corporation returned its leased GMAC vehicle, thus terminating the lease that was scheduled to end in August 2016.

Exploration and Evaluation expenditures

The following table presents the mining rights and exploration and evaluation expenditures by properties :

	Sept. 30, 2016			Sept. 30, 2015		
	Mining rights	expenditures	**Total**	Mining rights	expenditures	**Total**
	$	$	$	$	$	$
Precious metals						
Torngat diamond	-	230	230	-	-	-
Total precious metals	-	230	230	-	-	-
Base metals						
Dalquier	-	216	216	-	4 126	4 126
Total base metals	-	216	216	-	4 126	4 126
Industrial mineral						
Wapoos	-	67	67	-	-	-
Dissimieux	449 400	10 686	460 086	-	-	-
Total industrial metals	449 400	10 753	460 153	-	-	-
Special metals						
Blockhouse Gold	154 700	15 003	169 703	-	-	-
Montagne B (25%)	2 445	-	2 445	853	-	853
Other properties	-	-	-	480	-	480
Total special metals	157 145	15 003	172 148	1 333	-	1 333
Grand total	606 545	26 202	632 747	1 333	4 126	5 459

The following table presents exploration and evaluation expenditures by nature :

	Sept 30, 2016	Sept. 30,2015
	$	$
Mining rights	606 545	1 333
Sale of mining right	-	(2 288)
Exploration and evaluation expenditures		
Geology	26 202	4 126
Sale	-	(11 657)
	632 747	(8 486)
Management fees	-	24 518
Claims management	-	4 450
	632 747	20 482

Initial purchase of claims

On October 10, 2013, the Corporation purchased all the rights and interest in approximately 2,950 mining claims located in the Province of Quebec (the "Claims") from two private companies 9248-7792 Quebec Inc. ("9248") and 9257-1256 Quebec Inc. ("9257") for a consideration of 10,000,000 common shares of the Corporation at $0.06 representing the fair value of the stock price on the agreement date. A 0.4% and 0.6% net smelter royalty ("NSR") was retained by the private companies, respectively, where 0.2% and 0.3%, respectively, may be repurchased by the Corporation for a total cash consideration of $500,000.

Since the acquisition, the Corporation did not renew and/or identified mining claims that would not be renewed as they become expired. At December 31, 2015, the Corporation decided to keep the Wapoos property which consist of 14 mining claims, the Torngat property which consist of 63 mining claims and the Port-Daniel property which consist of 23 mining claims.

Monster Lake

Subsequently to the year ended December 31, 2015, MR has indicated its intention to terminate the agreement and not to pursue the development of the property. The Corporation will not renew the mining claims as they become expired.

Vendôme-Sud

On August 18, 2015, the Corporation sold its property Vendôme-Sud for a consideration of 1,500,000 common shares of Black Widow Resources Inc. valued at $30,000. A gain on disposal of properties of $30,000 was recognized in net loss.

Massicote-est

As at December 31, 2015, the Corporation decided not to renew the claims as they become expired.

Montagne B

On July 1, 2014, the Corporation entered into an agreement with a close relative of the president of the Corporation, to acquire a 25% interest in 55 mining claims named Montagne ''B'' property in the Abitibi region, in consideration of all costs associated with an airborne survey (electromagnetic and magnetic) of the 55 mining claims. Exploration on the Montagne ''B'' is oriented towards the search for special metals. In May 2016, the Corporation sale this property to Majescor Resources Inc. in considerations to receive a cash payment of $6,250 and issued by Majescor 625,000 common shares at the signature and another cash payment of $6,250 and 625,000 common shares six months after completion of a private placement.

Guéret & Guinecourt Lake

During the year ended December 31, 2015, the Corporation did not renew the 31 mining claims at their expiry.

Mine Lorraine – Gisement Blondeau

On July 25, 2015, the Corporation entered into an agreement with Canadian Mining House, to acquire a 10% interest in 83 mining claims named Mine Lorraine-Gisement Blondeau property located in Quebec in consideration of $40,000 in cash payable no later than May 1, 2016 and by incurring a total of $230,000 in exploration and evaluation expenditures by December 31, 2015. At December 31, 2015, the Corporation incurred a total of $235,000 thus fulfilling the requirements. The company was not able to honor its commitments to this property and thereby to drop its call option.

Dissimieux

On March 23, 2016, the Corporation entered into an agreement with Jourdan Resources Inc., to acquire a 100% interest mining claims named Dissimieux Lake Phosphate Titanium-REE's property in consideration of 6,000,000 common shares of the Corporation and an additional payment of $100,000, in either cash or Shares at its own discretion, on or before June 19, 2016.

- 100% owner Dissimieux Lake Phosphate Project
- 235 million tonnes @ 3.65% P2O5 and 4.72% TiO2
- 92% apatite (Ca5(PO4)3F) recovery - to produce a 41.2%P2O5 concentrate
- 62.5% ilmenite (FeTiO3) recovery - to produce a 48.1% TiO2 concentrate

The Project consists of 15 claims for 8.4 km2, and is road accessible via Provincial Highway #138 at Forestville, then driving northward on Highway #385 to Labrieville, and from there using a network of secondary gravel forestry roads provides direct access to the Property on the east-southeast shore of Dissimieux Lake. The Property hosts titanium-phosphate (ilmenite-apatite) mineralization located near the southern margin of the La Blache Anorthositic Complex (the "LBAC"). The LBAC is elongated in a northeast-southwest direction and stretches over 60 km by 15 to 25 km wide, and was emplaced into a highly metamorphosed and folded package of steeply dipping, north-northeast dipping paragneisses and amphibolites of the Grenville Geological Province. The Property is dominated by steep hills, with elevations ranging from 435 m to 700 m above sea level.

Only regional geophysical surveying and geological mapping had been carried out in the Property area before AFCAN Mining Corporation ("AFCAN"), formerly known as Société d'exploration Minière et pétrolière Gaspésie, staked the original claims at Dissimieux Lake. AFCAN completed detailed mapping, sampling and geophysical surveys over the original property (Pritchard, 1994, in GM53348; Birkett, 1995 and 1996, in GM 53515 and GM 54835; Oswald and Birkett, 1996, in GM 54764). A drill program of 8 holes totalling 637.5 m on two sections was also carried out in 1994 by AFCAN (GM 53349).

Ilmenite-apatite concentrations were traced for more than 6 km of strike length along a northeast-southwest orientation, up to 1 km wide, near the south shore of Dissimieux Lake. The mineralization was hosted in several bands 20 m to 50 m wide made up of finely disseminated magmatic apatite and ilmenite, associated with gabbro, and the ilmenite occurred as a magnetite-ilmenite assemblage linked to magnetic high anomalies. The average grades calculated from surface sampling was 5% TiO2 (corresponding to 10% ilmenite) and 3.5% P2O5(corresponding to 10% apatite). The corresponding average grades from the core samples were 4.72% TiO2and 3.65% P2O5, with highs of 8.35% TiO2 and 4.42% P2O5. Lower intensity magnetic anomalies retained the higher TiO2 grades but were lower in P2O5.

Lakefield Research of Canada Ltd. ("Lakefield") (1997, in GM 54867; 1998, in GM 56490), COREM (2000, in GM 58571) and Lakefield (2000, in GM 58570) assessed the feasibility of concentrating the titanium and phosphate. Lakefield achieved recoveries of 92 % of the apatite to produce a concentrate at 41.2 % P2O5, and recovered 62.5 % of the ilmenite to produce a concentrate at 48.1% TiO2 with a sample containing 3.5 % P2O5 and 5.4 % TiO2. It was concluded at the time that the higher the TiO2 and P2O5 grades in rocks, the higher the recoveries in concentrates.

Met-Chem Canada Inc. ("Met-Chem") (2000, in GM 58569) made an attempt to estimate the "Mining Potential" of the southern portion of the ilmenite-apatite mineralization. The underlying concept rested entirely on the assumption that a direct correlation existed between the strong magnetic anomalies and the ilmenite-apatite mineralization. However, this relationship was never confirmed as the mafic components of the LLBAC, such as the gabbros and the ultramafic rocks exhibited high magnetic susceptibilities, even in the absence of ilmenite-apatite mineralization.

Nevertheless to estimate the resources, Met-Chem used the two drilled sections from AFCAN, the geophysical surveys and geological mapping. The cumulative length of favorable magnetic anomalies covered 11,200 m, multiplied by width (averaging 90 m) of the mineralization based on the area of mineralization calculated from the two existing drill sections to a maximum depth of 75 m. A specific gravity of 3.25 tonnes per m3 was used based on core samples.

In 2012 to 2013 Jourdan drilled 34 holes at Dissimieux Lake, for a total of 3949 m, demonstrating mineralization over a strike length of 2.4 kilometres. Five parallel zones of phosphate mineralization were intersected, often with intersections of mineralization great than 100m in drilled thickness.

"Anticipated Resources" of 235 million tonnes were estimated at a grade of 3.65% P2O5 and 4.72% TiO2based on the drill core results (Met-Chem, 2000, in GM58569). The estimate is considered historic Mineral Resources.

The terms "Mining Potential" and "Anticipated Resources" are not recognized National Instrument ("NI") 43-101 Mineral Resources or Mineral Reserves categories, and therefore should not the relied upon. There has been insufficient work and a Qualified Person has not reviewed nor evaluated "Mining Potential", "Anticipated Resources" or historic Mineral Resources in terms of NI 43-101 standards to qualify the estimates into current Mineral Resources. There is no evidence at this time to suggest that any future exploration would result in any of the estimates being converted into NI 43-101 compliant Mineral Resources. GENIUS is of the opinion that the estimates reflects either the ilmenite-apatite or titanium-phosphate mineralization potential of the Property.

The last major work on the Property was the Met-Chem scoping study (2000, in GM 58569). Met-Chem indicated the ilmenite-phosphate mineralization was amenable to open-pit mining with a 1:1 waste to ore. It was proposed to transport the concentrate via a pipeline at a cost of $3.28 per tonne transport based on a yearly transport of 457,500 tonnes of concentrate (217,500 tonnes of ilmenite and 240,000 tonnes of apatite) over a distance of 140 km. In 2009, the Vendors assayed a sample from the original apatite concentrate for Rare Earth Elements ("REE's") and Rare Metal analysis at ALS Laboratories using the 38 element ICP-MS Analytical Method (ME-MS81) (refer to the appended table). The apatite concentrate sample contains 0.18% TREE's, of which 72% are LREE's (Light REE'S: La, Ce, Pr, Nd, Pm, Sm) and 28% are HREE's (Heavy REE's: Eu, Tb, Dy, Ho, er, Tm, Yb, Lu, Y). The most significant REE's results are 517 ppm Cerium (Ce), 66 ppm Dysprosium (Dy), 115 ppm Gadolinium (Gd), 169 ppm Lanthanum (La), 405 ppm Neodynium (Nd), 85 ppm Praseodymium (Pr), 98 ppm Samarium (Sm), 521 ppm Strontium (Sr) and 348 ppm Yttrium (Yt).

Blockhouse Gold

The majority of the Property lie within NTS area 21"A" and the land package includes 14 licenses comprised of 107 claims covering approximately 1,733 hectares (17.33 square kilometres). The initial exploration focus of Genius will be on the Blockhouse Property and the nearby Dares Lake Property, both located in Lunenburg County,

There are several documented gold bearing veins on the Blockhouse Property, most notably the Prest Vein that saw limited underground (narrow vein) production in the late 1800s up until the early 1930s. This property was revisited in the 1980s when 10 diamond drill holes were completed, testing near surface potential of the property. The drill results and historical mining results are documented in a 1989 drill summary report by James

E. Tilsley & Associates Ltd. (filed as an assessment report AR 89-105 with the Nova Scotia DNR) where it is reported that 3,500 ounces of gold was recovered from 6,200 tons of mined and milled material from underground workings between the surface and 90 meters depth. It is further reported that most of the gold was recovered from the fissure vein that was within a very dark arenaceous slate horizon, they refer to this production area as the "Prest Shoot". Historical records on file with Nova Scotia Department of Natural Resources indicate that the Prest Shoot accounted for 2,043 tons of mill feed between 1896 and 1935, yielding 3,259 ounces of gold for an average grade of 1.59 ounces per ton (49.6 g/t). The width of the Prest Vein within the historically mined shoot is reported to average 0.25 meters (range of 0.15 to 0.61 m) and the wall rock where sampled is reported to average 0.085 ounces per ton (2.9 g/t), however there was insufficient sample data to determine how extensive the gold mineralization is within the host wall rock. Underground mapping and sampling of the 60 metre level occurred in the late 1930s, the Prest Shoot as described was traced for 138 metres in the north drift and averaged 0.35 metres in width with an average gold content of 0.37 ounces per ton.

Work on the Property

In early April, Genius engaged an independent qualified person (IQP) to meet with the Vendors of the Property and complete a due diligence site visit, where samples of vein material were selected by the geologist. Neil D. Novak P.Geo., a Qualified Person completed the due diligence investigation at the request of Genius. The Prest Vein does not outcrop, consequently the sampling was limited to selecting random samples from mine spoils that are present as piles near the old mine opening (shaft) that had been covered over and capped by a reinforced concrete slab as per local mine rehabilitation requirements. The samples were presumably from the Prest Vein. One sample of quartz vein was selected from three different piles, one sample was selected that included arenaceous shale with minor quartz from a waste pile and then one sample was selected from a saddle type vein that outcropped on the Property near the site of the historical mill.

The samples were sealed and bagged on site and then hand delivered to Agat Laboratories in Mississauga Ontario for Fire Assay (code 202-052), ICP-OES finish, if samples tested >10ppm then they were finished with Gravimetric analysis:

- BH - 1 from the Blockhouse Property presumably the Prest Vein. The specimen is a banded dark grey - light grey quartz vein. This sample was tested for gold content and returned an assay of 22.5 g/t Au (0.72 ounces/ton).

- BH - 2 from the Blockhouse Property presumably mine waste, this sample was selected from a small trench that the author dug into the hand-cobbed pile of material near the main shaft, it consists of quartz vein material and dark grey slatey shale. This sample was tested for gold content and returned an assay of 0.136 g/t Au (0.004 ounces/ton).

- BH - 3 from the Blockhouse Property, quartz vein material representative of what was thought to be high grade material. This sample was tested for gold content and returned an assay of 11.8 g/t Au (0.378 ounces/ton).

- BH - 4 from the Blockhouse Property, quartz vein material representative of high grade material. This sample was tested for gold content and returned an assay of 38.6 g/t Au (1.24 ounces/ton).

- BH - 5 from the Blockhouse Property, quartz vein material from a long trench located near the old mill, this may be a sample of vein in outcrop, but not 100% certain due to overburden. This sample was tested for gold contend and returned an assay of 0.315 g/t Au (0.01 ounces/ton).

The assay results for the samples provided a degree of comfort that the Blockhouse Property was interesting as a gold exploration project, confirming that "high grade" gold was historically mined at the site and that the reported grades of vein material selected by the Vendors of the Property were typical of what to expect.

Genius is now planning an exploration program to take place this summer where surface trenching followed by sampling and mapping will take place in order to map out the near surface gold mineralization and to ascertain whether gold is present in the host shales. If phase one is successful then phase two will ensue involving drilling to depth below the existing mine workings to confirm and extend knowledge learned from the 1983 drill program.

The Review and Evaluation Committee for the NSMIP supports the project and has approved $60,000 to explore licenses in Blockhouse, Lunenburg County. All funds awarded by NSMIP are to be directed at paying up to 50% toward any combination of drill contract costs, core analysis and trenching completed on the project. The Blockhouse property exploration program for the summer of 2016, as submitted in the grant application, is estimated to cost approximately $250,000.

Mt. Cameron:

Genius Properties Ltd. has entered into an assignment agreement dated October 17, 2016 to acquire from Mt. Cameron Minerals Inc. up to a 100% interest in the Mt Cameron Graphite Deposit located in the Boisdale Hills region of Cape Breton, Nova Scotia, marking a strategic entry into the large flake graphite market. Reports have indicated that this deposit has the potential of becoming one of the largest graphite mines in the world producing ultra high purity flake graphite.

Highlights of the Mt. Cameron Graphite Project:
The Property is conveniently located 25 kilometers west of Sydney, Nova Scotia and is comprised of 7 licenses (82 claims over 13.3 km2). In regards to infrastructure, the property is easily accessible by paved roads and is in close proximity of an electric utility. With the potential construction of NOVAPORT, a deep-water mega-terminal in Sydney, trans-Atlantic shipping would be readily available, Moreover, having an extensive history in steel manufacturing and coal mining, Sydney has a highly skilled workforce to offer.
The mineralization on the Property is flake graphite in marble of the George River formation and has been identified along a strike length of approximately 12 km with zones up to 1.5 km wide and interpreted to be up to 300 m deep. Mt. Cameron has carried out prospecting, drilling and geophysics on the Property; all of which indicate an extensive mineralized zone. Preliminary mineral processing studies have been carried out by Dr. Ian Flint, former Director of the Minerals Engineering Center at Dalhousie University in Halifax.

Historical work by Mt. Cameron
2004 - As part of a regional reconnaissance exploration program, Mt. Cameron mapped extensive beds and ridges of graphitic marble and schist in Pre Cambrian - Grenville Age rocks on the eastern flank of the Boisdale Hills, some 25 km west of Sydney, Nova Scotia. Preliminary metallurgical work on samples taken during the mapping of these units determined that the graphite in these rocks is of the rare flake form. Average grade of the marble hosted surface samples was greater than 4% graphite.
2007 - The Province, through the Office of Economic Development and DNR, commissioned a graphite market study to determine market trends and supply / demand worldwide. The study determined that the Property had good potential to be one of the largest graphite mines in the world. Indications are that this deposit is substantial and has the potential to be mined at annual rates resulting in annual production as high 200,000 tonnes of ultra high purity flake graphite and still maintain a 20 year, or longer, mine life.
2008 - In August 2008, Mt. Cameron initiated an exploration and metallurgical testing program budgeted at $4 million. Initial results from deep penetrating geophysics, drilling, assaying, bulk sampling, and pilot plant testing at the Mineral Engineering Centre at Dalhousie University met or exceeded expectations.
2009 - Further metallurgical work determined that the flake graphite could be readily separated from the marble by flotation with expected commercial production after refining of above 99% graphite. Bench scale metallurgical testing has already achieved a grade of 99.3% from a large bulk sample taken in 2008. Assays of historic drill core averaged greater than 6% graphite over a zone of ~20 m. Extensive beds of higher-grade (4 to 6%) flake graphite occur in outcrop over the 12 km strike.
2010 - In the late Fall, a 1,300 m diamond drilling program identified an area west of Campbell Lake where 10 holes intersected up to 40 m of high grade graphitic marble extending about 400 m along strike. This area shows considerable promise for the development of a substantial mining operation.
"The Mt. Cameron Graphite deposit could be one of the largest in the world," says John Wightman, M.Sc., FGAC, P.Eng, President of Mt. Cameron Minerals Inc.

Mr. Wightman's optimism about the potential value of the graphite deposit has received support in a report to Mt. Cameron regarding a bulk sample assessed by Separation Technology LLC of Needham, Mass.
"The report is another indication of a potential large deposit of battery-grade graphite throughout the site. The attributes of graphite marble allow for low-cost clean separation technology, with little or no damage to the high-quality graphite when separated from the surrounding material," specified Mr. Wightman.
The numbers in this latest bulk assessment align with those from previous tests at Dalhousie University by Dr. Ian M. Flint, a senior consulting metallurgist.

Board member nomination and resignation

July 6, 2015 Genius Properties Ltd. hold is annual general and special meeting, the re-election of Stéphane Leblanc, Guy Paul Allard and Patricia Lafontaine and the election of Denis Richard, Guy Chamberland and Daniel Simard, as directors of the Corporation.

October 28, 2015 the Company announces that Mr Guy Chamberland and Daniel Simard resigned from their duties as Directors. Mr Denis Richard resigned from his position as President and Chief Executive Officer and as Director. At the same date Mr Stéphane Leblanc was hired as President and Chief Executive of Genius Properties Ltd.

May 10, 2016 the Company announces the appointment of Neil D. Novak as directors of the Corporation.

July 11, 2016 the Company announces the appointment of Maxime Lemieux, Marc Duschene as directors of the Corporation.

September 12, 2016, Genius appoints Frank Guillemette as President and Jimmy Gravel as CEO.

September 29, 2016 Frank Guillemette resigned as President and Jimmy Gravel appoints as the interim President.

SELECTED FINANCIAL INFORMATION

The Corporation prepared its financial statements in accordance with International Financial Reporting Standards ("IFRS"), as published by the International Accounting Standards Board. The Corporation's financial statements are presented in Canadian dollars, which is also the functional currency of the Corporation.

		30 september 2016	30 september 2015
		$	$
Expenses			
Mining rights		606 545	1 333
Sale		-	(2 288)
Exploration and evaluation expenditures			
	Geology	26 202	4 126
	sale	-	(11 657)
Management fees		-	24 518
Claims management		-	4 450
		632 747	20 482
General and administrative expenses			
	Consulting fees	141 300	206 460
	Professional fees	112 858	338 930
	Regulatory fees	36 001	45 357
	Office expenses and others	33 415	166 096
	Business development	927	56 067
	Depreciation - Property and equipment	10 481	10 311
	Part XII tax and other non-compliance penality	-	-
	Share-based payments	77 800	24 200
	Other	-	-
		412 782	847 421
Operating loss before other expenses (revenues), income tax and loss from discontinued operations		1 045 529	867 903
Other expenses (revenues)			
Net change in fair value of investments		(51 750)	(15 000)
Financial expenses			
	Interest on current liabilities and bank charges	182	-
	Interest on long-term debts	9 780	-
	Penalty on contract termination	16 800	-
Exchange loss (gain)		(12 814)	(8 817)
Loss on disposal of mining assets		-	-
Write-off of intangible assets		-	167 231
Write-off of inventories		-	287 991
Gain on disposal of exploration and evaluation assets		(43 750)	(16 055)
Gain on disposal of investment		(1 615)	
Gain on settlement of payables		(128 181)	-
		(211 348)	415 350
Net loss and comprehensive loss		834 181	1 283 253
Net loss from continuing operations attributable to :			
Shareholders of Genius Properties Ltd.		850 657	1 154 432
Non-controlling interests		(16,476)	128 821
		834 181	1 283 253
Basic and diluted loss per share		(0.01)	(0.04)
Weighted average number of common shares outstanding		65 189 609	35 756 213

No dividends were declared or paid in 2016 and 2015.

Financial Position for the period ended September 30, 2016

As at September 30, 2016, the current assets amounts to $131,307 ($351,018 as at December 2015), includes cash of $56,077. On June 21, 2016, the Corporation complete a private placement of $145,000, on December 29, 2015, the Corporation completed a flow-through private placement of $134,595. The Corporation has until December 31, 2016 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement.

All the intangible assets was write off as at December 31, 2015. The exploration and evaluation assets are now include in the statements of comprehensive loss.

Financial Position	September 30, 2016 $	December 31, 2015 $
Current assets	**131,307**	351,018
Investment	**111,250**	22,500
Property and equipment	**212,218**	222,699
Total Assets	**454,775**	596,217
Current liabilities	**(737,766)**	(1,174,027)
Shareholders' equity	**(126,312)**	(404,655)
Non-controlling interests	**(156,679)**	(173,155)
Total liabilities and Equity	**(454,775)**	(596,217)

No dividends were declared or paid in 2016 and 2015.

FINANCING ACTIVITIES

a) On June 21, 2016, the Corporation completed a private placement with the issuance of 2,900,000 units at a price of $0.05 per unit for gross proceeds of $145,000. Each Unit is comprised of one common share and one share purchase warrant with each whole warrant entitling the holder to acquire a common share of the Corporation at an exercise price of $0.10 per share for a period of 12 months. The fair value of the warrants was based on the Black-Scholes valuation model, using a stock price of $0.008, a risk-free rate of 1.5%, an expected life of 1 year, an annualized volatility of 117% and a dividend rate of 0%. As a result, the warrants were valued at $23,200 and recorded under warrant and as a reduction of share capital in the statement of changes in equity. The Corporation has made estimates as to the volatility of comparable corporations.

b) On December 29, 2015, the Corporation completed a private placement with the issuance of 2,691,900 flow-through shares at a price of $0.05 per share for gross proceeds of $134,595 and the issuance of 498,500 units at a price of $0.03 per unit for gross proceeds of $14,955. Each Unit is comprised of one common share and one share purchase warrant with each whole warrant entitling the holder to acquire a common share of the Corporation at an exercise price of $0.05 per share for a period of 18 months. An amount of $53,820 representing the premium paid by the investors was reduced from share capital and recorded in Other liability related to flow-through financings. The fair value of the warrants was based on the Black-Scholes valuation model, using a stock price of $0.02, a risk-free rate of 0.50%, an expected life of 1.5 year, an annualized volatility of 165% and a dividend rate of 0%. As a result, the warrants valued at $2,493 were recorded under warrant and as a reduction of share capital in the statement of changes in equity. As part of these private placements, the Corporation also issued a total of 319,040 broker warrants. Each broker warrant entitles its holder to purchase one common share at $0.05 per share for a period of 18 months. The fair value of the broker warrants was based on the Black-Scholes valuation model, using a stock price of $0.02, a risk-free rate of 0.50%, an expected life of 1.5

year, an annualized volatility of 165% and a dividend rate of 0%. As a result, the broker warrants valued at $1,276 were recorded under warrant and as share issuance costs as a reduction of share capital in the consolidated statement of changes in equity. Total share issuance costs amounted to $21,069 including the fair value of the broker warrants of $1,276. The Corporation has made estimates as to the volatility of comparable corporations.

c) On December 7, 2015, the Corporation completed a private placement with the issuance of 10,000,000 units at a price of $0.03 per unit for gross proceeds of $300,000. Each Unit is comprised of one common share and one share purchase warrant with each whole warrant entitling the holder to acquire a common share of the Corporation at an exercise price of $0.05 per share for a period of 18 months. The fair value of the warrants was based on the Black-Scholes valuation model, using a stock price of $0.02, a risk-free rate of 0.60%, an expected life of 1.5 year, an annualized volatility of 165% and a dividend rate of 0%. As a result, the warrants were valued at $104,560 and recorded under warrant and as a reduction of share capital in the statement of changes in equity. The Corporation has made estimates as to the volatility of comparable corporations.

d) On August 7, 2015, the Corporation completed a private placement with the issuance of 1,216,666 shares at a price of $0.06 per share for a total cash consideration of $73,000. No warrants were issued during this share issuance.

e) On July 17, 2015, the Corporation completed a private placement with the issuance of 1,874,997 shares at a price of $0.06 per share for a total cash consideration of $112,500. No warrants were issued during this share issuance.

Share issuance for contract settlement:

a) On December 29, 2015, the Corporation issued 2,000,000 units valued at the fair value of the services rendered of $200,000 for exploration and evaluation expenditures incurred. Each unit is comprises of one common share and one share pruchase warrant with each whole warrant entitling the holder to acquire one common share of the Corporation at a price of $0.30 per share for a period of 18 months. The fair value of the warrants was based on the Black-Scholes valuation model, using a stock price of $0.02, a risk-free rate of 0.50%, an expected life of 1.5 year, an annualized volatility of 165% and a dividend rate of 0%. As a result, the warrants valued at $40,000 were recorded under warrant and as a reduction of share capital in the consolidated statement of changes in equity. The Corporation has made estimates as to the volatility of comparable corporations

b) On October 27, 2015, as described in Note 3, the acquisition of all assets of Reiva was cancelled. As a result, the 30,000,000 common shares issued on May 26, 2015 need to be return to Treasury. These commons shares were return to Treasury on January 19, 2016. As at October 27, 2015, the cancellation of the acquisition have been accounted as shares to be cancelled in the consolidated statement of changes in equity at a price of $0.03 per share.

c) On August 17, 2015, the Corporation issued 3,693,212 common shares at a price of $0.04 as part of debt settlement agreements with suppliers for a total amount of $147,729. As a result, the Corporation recorded a gain on settlement of payables of $56,208 in the consolidated statement of comprehensive loss.

d) On June 1, 2015 the Corporation signed a consulting agreement under which 500,000 common shares are required to be issued upon signature. As at December 31, 2015, the shares were still to be issued and accounted as shares to issue in the statement of changes in equity valued at the fair value of services rendered.

e) On April 5, 2016, the Corporation issued 2,940,000 common shares at a price of $0.04 as part of debt settlement agreements with suppliers for a total amount of $117,600. As a result, the Corporation recorded a gain on settlement of payables of $16,800 in the consolidated statement of comprehensive loss. 6,000,000 was also issued for a consideration of $240,000 regarding the acquisition of the property Dissimieux.

f) On June 3, 2016, the Corporation issued 4,320,000 common shares at a price of $0.04 as part of debt settlement agreements with suppliers for a total amount of $216,000.

Share issuance for acquisition of mining assets:

a) On May 26, 2015, the Corporation issued 30,000,000 common shares at a price of $0.11 per share for a total consideration of $3,300,000 for the acquisition of all the assets of Reiva as described in Note 3. These shares will be subject to a thirty-six (36) month escrow, in accordance with CSE policies and applicable securities regulation. As part of this transaction, the Corporation also issued 1,400,000 common shares at a price of $0.11 per share for a total consideration of $154,000 as a finders fee.

b) On May 30, 2016 the Corporation issued 5,000,000 common share for a total consideration of $150,000 for the acquisition of the property Blockhouse Gold.

c) On June 20, 2016, the Corporation issued 3,600,000 common shares at a price of $0.05 for a total consideration of $180,000 regarding the second part of the acquisition of the property Dissimieux. The Corporation isuued 252,000 common shares for a consideration of $12,600 like a finder fees regarding this property.

SUMMARY OF QUARTERLY RESULTS

The Corporation prepared its financial statements in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The Corporation's financial statements are presented in Canadian dollars, which is also the functional currency of the Corporation.

Summary of quarterly results of the last eight quarter-ends

Quarter ended	Net income (loss)	Comprehensive income	Net income per share
	$	$	$
September 30, 2016	(173 575)	(173 575)	(0.01)
June 30, 2016	(318 177)	(318 177)	(0.01)
March 31, 2016	(342 429)	(342 429)	(0.01)
December 31, 2015	(2 360 089)	(2 360 089)	(0.01)
September 30, 2015	(605 371)	(605 371)	(0.01)
June 30, 2015	(326 252)	(326 252)	(0.01)
March 31, 2015	(346 170)	(346 170)	(0.01)
December 31, 2014	(794 797)	(794 797)	(0.02)

During the quarter ended December 31, 2015, a net loss of $2,360,089 was recorded compared to a net loss of $794,797 for the same period in 2014, the variation is mainly due to a write off of intangibles assets and the change of accounting policy regarding exploration and evaluation expenditures in order to recognize these expenditures directly to the profit or loss instead of capitalizing them as exploration and evaluation assets.

During the quarter ended September, 2015, a net loss of $619,316 was recorded compared to a net loss of $212,359 for the same period in 2014, the variation is mainly due to the write off of inventories and the change of accounting policy regarding exploration and evaluation expenditures in order to recognize these expenditures directly to the profit or loss instead of capitalizing them as exploration and evaluation assets. In this quarter the Corporation issued options which create a Black & Scholes expense. In 2014 a gain on sale of investment of $103,561 was recorded in the quarter and a gain on sale of claims for $57,500 .

During the quarter ended June 30, 2015, a net loss of $326,252 was recorded compared to a net loss of $283,654 for the same period in 2014, the variation is mainly due to the change of accounting policy regarding exploration and evaluation expenditures in order to recognize these expenditures directly to the profit or loss instead of capitalizing them as exploration and evaluation assets. The consulting fees and the Professional fees have increase in 2015, the Corporation hiring many consultants for his business.

During the quarter ended March 31, 2015, a net loss of $346,170 was recorded compared to a net loss of $419,494 for the same period in 2014, the variation is mainly due to the change of accounting policy regarding exploration and evaluation expenditures in order to recognize these expenditures directly to the profit or loss instead of capitalizing them as exploration and evaluation assets.

RELATED PARTY TRANSACTIONS

The Corporation related party transactions are disclosed to the Note 22 in the consolidated interim financial statements for the period ended September 30, 2016.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation has a negative working capital of $606,459 as at September 30, 2016 ($823,009 as at December 31, 2015) considering cash of $56,077, but has $134,595 to spend in exploration and evaluation work in order to comply with the requirements of flow-through financing, until December 31, 2016. The company is still confident spending this money before the end of 2016.

The Corporation's principal source of financing is equity financing, the success of which depends on capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its future exploration activities and be able to support its ongoing operations, the Corporation will need to maintain and expand its relationships with the financial community in order to obtain further equity financing. A financing is mandatory to pay the working capital and to continue the exploration and evaluation of the mining properties.

As of September 30, 2016, there is significant doubt as to the Corporation's ability to meet all its liabilities and commitments, as they will fall due, to pay its administrative costs and exploration and evaluation expenses and to pursue its research for new mining properties. There are no guarantees that measures taken by management will be successful.

SUBSEQUENT EVENTS

October 17, 2016, Genius acquire from Mt. Cameron Minerals Inc. up to a 100% interest in the Mt Cameron Graphite Deposit located in the Boisdale Hills region of Cape Breton, Nova Scotia, marking a strategic entry into the large flake graphite market. Reports have indicated that this deposit has the potential of becoming one of the largest graphite mines in the world producing ultra high purity flake graphite.

October 24, 2016 the company sold its 2735 Tebbutt, Trois-Rivières warehouse at a price of $ 230,000, thereby releasing its $ 184,788 mortgage. Brokerage fees for $ 13,222.13 were paid to the real estate broker.

November 14, 2016, Genius announces a proposed $2.6 million brokered private placement. (reference press release)

Off Financial Position Arrangements

The Corporation has not entered into any off-balance sheet arrangements including, without limitation, in respect of guarantee contracts, contingent interests in assets transferred to entities, derivative financial obligations, or in respect to any obligation under a variable interest equity arrangement.

Going concern

The assessment of the Corporation's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

ACCOUNTING STANDARDS

The Corporation new accounting standards are disclosed in the Note 7 to the annual audited consolidated financial statements for the year ended December 31, 2015.

IFRS ACCOUNTING POLICIES AND ESTIMATES

The Company's significant accounting policies and estimates under IFRS are disclosed in the Note 6 in the annual audited consolidated financial statements for the year ended December 31, 2015.

Other Requirements in the Management Discussion and Analysis

The following selected financial information is derived from our unaudited financial statements.

Genius Property Ltd

Commons Share outstanding	80 797 410
Share Options outstanding	3 575 000
Weight average exercise price	0.10

Expiration date	Number	Exercise price	Estimated contractual time remaining
		$	(years)
April 9, 2019	1 725 000	0.10	2.7
August 6, 2020	1 850 000	0.10	4.0
September, 2021	2 100 000	0.05	5.0
	3 575 000		

Warrants outstanding	15 717 540
Weighted average exercise price	0.09

Expiration date	Number	Exercice price	Estimated contractual time remaining in years
		$	(years)
June 7, 2017	10 000 000	0.05	0.9
June 30, 2017	817 540	0.05	0.9
June 30, 2017	2 000 000	0.30	0.9
June 30, 2017	2 900 000	0.05	0.9
	15 717 540		

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial risks factors

The Corporation's activities expose it to a variety of financial risks: price risk, credit risk and liquidity risk. Risk management is carried out by management under policies approved by the board of directors. The board of directors provides written policies for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The company's overall risk management program seeks to minimize potential adverse effects on the company's financial performance.

a) Price risk

The Corporation is exposed to equity securities price risk because of investments held by the Corporation. When trading its shares, bad market conditions could result in the disposal of its listed shares at less than value as at September 30, 2016. A 1% variation in the closing price on the stock market would result in a non-material variation.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is subject to concentrations of credit risk through cash. The Corporation reduces its credit risk by maintaining part of its cash in financial instruments and held with a Canadian chartered bank.

c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet the obligations associated with its financial liabilities. The Corporation has no history of earnings and does not expect to receive revenues from operations in the foreseeable future, if all. The Corporation generates cash flows primarily from its financing activities).

Management estimates that the funds as at September 30, 2016 will not be sufficient to meet the Corporation's obligations and budgeted assets through December 31, 2016. Any additional funding may be met in the future in a number of ways including but not limited to, the issuance of new equity instruments. Cash flow forecasting is performed by the Corporation which monitors rolling forecasts of the Corporation's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times. Surplus cash, if any, over and above balances required for working capital management are invested in interest bearing short-term deposits with a maturity within 12 months, which are selected with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Accounts payable and accrued liabilities as at December 31, 2015 consist of items that should be settled within approximately 30 days (note 2 to the financial statements for information on going concern).

Risks and Uncertainties

An investment in the common shares of the Corporation should be considered highly speculative for a variety of reasons. The following is a general description of certain significant risk factors which should be considered:

Risks Inherent to Mining Exploration

The Corporation is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. The Corporation's property interests are in the exploration and evaluation stage only and are without a known body of commercial ore. Accordingly, there is little likelihood that the Corporation will realize any profits in the short to medium term. Any profitability in the future from the Corporation's business will be dependent upon locating an economic deposit of minerals. However, there can be no assurance, even if an economic deposit of minerals is located, that it can be commercially mined.

Regulation and Environmental Requirements

The activities of the Corporation require permits from various governmental authorities and are governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, environmental protection and other matters.

Increased costs and delays may result of the need to comply with applicable laws and regulations. If the Corporation is unable to obtain or renew licenses, approvals and permits, it may be curtailed or prohibited from proceeding with exploration or development activities.

Capital Needs

The exploration and evaluation, development, mining and processing of the Corporation's properties may require substantial additional financing. The only current source of future funds available to the Corporation is the sale of additional equity capital and the borrowings of funds. There is no assurance that such funding will be available to the Corporation or that it will be obtained on terms favorable to the Corporation or will provide the Corporation with sufficient funds to meet its objectives, which may adversely affect the Corporation's business and financial position.

In addition, any future equity financings by the Corporation may result in a substantial dilution of the existing shareholders. Failure to obtain sufficient financing may result in delaying or indefinite postponement of further exploration and evaluation, development or production on any or all of the Corporation's properties or even a loss of property interest.

Commodity Prices

The market price of the Corporation's common shares, its financial results and its exploration and evaluation, development and mining activities have previously been, or may in the future be, significantly adversely affected by the volatility in the price of precious or base minerals, including lithium and phosphate

Uninsured Risks

The Corporation's business is subject to a number of risks and hazards, including environmental conditions adverse, environmental regulations, political uncertainties, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Corporation's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Going Concern

The future of the Corporation depends on its ability to finance its activities and to develop its assets. Failure to obtain sufficient financing may result in the Corporation not being able to continue its operations, realize its assets and discharge its liabilities in the normal course of business in the foreseeable future.

QUALIFIED PERSON

Donald Theberge, Eng., P.Geo., is the Qualified Person under National Instrument 43-101 who has reviewed the scientific and technical information in this document.

OUTLOOK

The availability of funds is a function of the capital markets. The Corporation is confident to be in a position to finance itself and to find new mining properties.

The Corporation's ability to continue as a going concern is dependent upon raising additional funds. The outcome of these matters cannot be predicted at this time.

CERTIFICATION OF ANNUAL FILINGS

The President and Chief Executive Officer and the Chief Financial Officer have signed the Basic Certifications of Annual Filings as required by National Instrument 52-109 for venture issuer, thus confirming, the review, the absence of misrepresentations and the fair presentation of the annual filings.

- The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual financial statements and the annual MD&A (together, the "annual filings") of the Company for the period ended September 30, 2016.

- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the l filings.

- Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the period presented in the l filings.

ADDITIONAL INFORMATION

Additional information on the Corporation is available through regular filings of quarterly financial statements and press releases on SEDAR (www.sedar.com) or on our web site.

CORPORATE INFORMATION

Dirigeants

(s) Jimmy Gravel	(s) Liette Nadon
Jimmy Gravel	Liette Nadon
President	Chief financial officer

Administrators

Stéphane Leblanc
Hubert Vallée
Maxime Lemieux
Marc Duchesne
Jimmy Gravel

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Montréal (Québec)

Auditor

Raymond Chabot Grant Thornton
Montréal (Québec)